

**§ 4047.4 Payment of premiums.**

(a) *General.* Upon restoration of a plan pursuant to ERISA section 4047, the obligation to pay PBGC premiums pursuant to ERISA section 4007 is reinstated as of the date on which the plan was trustee under section 4042 of ERISA. Except as otherwise specifically provided in paragraphs (b) and (c) of this section, the amount of the outstanding premiums owed shall be computed and paid by the plan administrator in accordance with part 4006 of this chapter (Premium Rates) and the forms and instructions issued pursuant thereto, as in effect for the plan years for which premiums are owed.

(b) *Notification of premiums owed.* Whenever the PBGC issues or has issued a plan restoration order, it shall send a written notice to the plan administrator of the restored plan advising the plan administrator of the plan year(s) for which premiums are owed. PBGC will include with the notice the necessary premium payment forms and instructions. The notice shall prescribe the payment due dates for the outstanding premiums.

(c) *Methods for determining variable rate portion of the premium.* In general, the variable rate portion of the outstanding premiums shall be determined in accordance with the premium regulation and forms, as provided in paragraph (a) of this section, except that for any plan year following a plan year for which Form 5500, Schedule B was not filed because the plan was terminated, the alternative calculation method in §4006.4(c) of this chapter may not be used.

**§ 4047.5 Repayment of PBGC payments of guaranteed benefits.**

(a) *General.* Upon restoration of a plan pursuant to ERISA section 4047, amounts paid by the PBGC from its single-employer insurance fund (the fund established pursuant to ERISA section 4005(a)) to pay guaranteed benefits and related expenses under the plan while it was terminated are a debt of the restored plan. The terms and conditions for payment of this debt shall be determined by the PBGC.

(b) *Repayment terms.* The PBGC shall prescribe reasonable terms and conditions for payment of the debt described

in paragraph (a) of this section, including the number, amount and commencement date of the payments. In establishing the terms, PBGC will consider the cash needs of the plan, the timing and amount of contributions owed to the plan, the liquidity of plan assets, the interests of the single-employer insurance program, and any other factors PBGC deems relevant. PBGC may, in its discretion, revise any of the payment terms and conditions, upon written notice to the plan administrator in accordance with paragraph (c) of this section.

(c) *Notification to plan administrator.* Whenever the PBGC issues or has issued a plan restoration order, it shall send a written notice to the plan administrator of the restored plan advising the plan administrator of the amount owed the PBGC pursuant to paragraph (a) of this section. The notice shall also include the terms and conditions for payment of this debt, as established under paragraph (b) of this section.

**PART 4050—MISSING PARTICIPANTS****Sec.**

4050.1 Purpose and scope.

4050.2 Definitions.

4050.3 Method of distribution for missing participants.

4050.4 Diligent search.

4050.5 Designated benefit.

4050.6 Payment and required documentation.

4050.7 Benefits of missing participants—in general.

4050.8 Automatic lump sum.

4050.9 Annuity or elective lump sum—living missing participant.

4050.10 Annuity or elective lump sum—beneficiary of deceased missing participant.

4050.11 Limitations.

4050.12 Special rules.

APPENDIX A TO PART 4050—EXAMPLES OF DESIGNATED BENEFIT DETERMINATIONS FOR MISSING PARTICIPANTS UNDER §4050.5 IN PLANS WITH DEEMED DISTRIBUTION DATES ON AND AFTER AUGUST 17, 1998

APPENDIX B TO PART 4050—EXAMPLES OF BENEFIT PAYMENTS FOR MISSING PARTICIPANTS UNDER §§ 4050.8 THROUGH 4050.10

AUTHORITY: 29 U.S.C. 1302(b)(3), 1350.

SOURCE: 62 FR 60440, Nov. 7, 1997, unless otherwise noted.